

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: Institutional Agreements, Leases and Easements
Date: November 3, 2003

Recommended Action:

Approve the leases for the benefit of the institutions as summarized below. **(ROLL CALL VOTE)**

Executive Summary:

The Iowa Code requires that agreements, leases and easements involving real property be approved by the Board of Regents by roll call vote.

The leases have been reviewed by the Attorney General's Office and are recommended for approval.

Approval is requested for the following:

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| University of Iowa | Sub-lease renewal with Bonebreak L.L.C. for the University's use of winter storage space to house research trailers in Coralville. |
| | Lease renewal with Pleasant Valley L.P. for the University's use of space in Iowa City for functions of the Department of Business Services and the University Book Store. |
| Iowa State University | New lease with Lincolnshire Partners for the University's use of space in Sioux City for the Northwest Iowa Area Extension Office/Outreach Center. |
| | New lease with Sprint Spectrum L.P. for its use of rooftop space on Wilson Hall for a cellular communication antennae network. |
| | Lease addendum with HMG Parking Co. L.L.C. for the University's use of reduced space for the ISU Downtown Des Moines Learning Center. |
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Background and Analysis:

UNIVERSITY OF IOWA

LEASES

Landlord	Bonebreak LLC (sub-lease renewal)
Area/Location	Approximately 1,250 square feet of warehouse space at Unit 33, 2421 James Street Commercial Condomiums, Coralville, Iowa.
Lease Term	Eight-month period commencing November 1, 2003, through June 30, 2004.
Lease Rate	\$800 per month (\$7.68 per square foot, \$6,400 for the eight-month period).
Space/Rate Comparison	The amount of warehouse space and the lease rate are unchanged.
Use of Space	<p>This space is used by the Department of Hydrosience and Engineering to store two research trailers during the winter months.</p> <p>The trailers are used for a University research project funded by a grant from the New Mexico Bureau of Reclamation, which is also the source of funding for the lease payments.</p>
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Principal Information	The principal, Joe French, Manager, has no affiliation with the University.

Landlord	Pleasant Valley LP (renewal)
Area/Location	Approximately 23,000 square feet of retail, office and storage located at 1225 South Gilbert, Iowa City, Iowa, with approximately 50,000 square feet of land.
Lease Term	Two-year period commencing January 1, 2004, through December 31, 2005.
Lease Rate	\$5,336.04 per month (\$2.78 per square foot, \$64,032.48 per year).
Space/Rate Comparison	The amount of space and the lease rate are unchanged.
Use of Space	The space will continue to be used primarily by the Department of Business Services for University Surplus operations and for General Store's cylinder storage. A portion of this building is also used by the University Book Store for storage and order fulfillment activities.

Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Principal Information	The Principals, Arie Kroeze and family, and Aleda Kroeze Feuerbach, General Manager, own and operate the Pleasant Valley Nursery on the adjacent grounds, and the Pleasant Valley Golf course located in the southern region of Iowa City. The principals have provided goods and services to the University through these two companies during the past 15 years; however, the individual purchases have been under the University's bid limit.

IOWA STATE UNIVERSITY

LEASE

Landlord	Lincolnshire Partners (new)
Area/Location	1,225 square feet of office space at 3535 Southern Hills Drive, Sioux City, Iowa.
Lease Term	Three-year period commencing January 1, 2004, through December 31, 2006.
Lease Rate	\$1,429.17 per month for the period commencing January 1, 2004, through December 31, 2005 (\$14.00 per square foot, \$17,150 per year). \$1,684.38 per month for the period commencing January 1, 2006, through December 31, 2006 (\$16.50 per square foot, \$20,213 per year)
Use of Space	Office space for the Northwest Iowa Area Extension Office/Outreach Center.
Liability	The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with <u>Iowa Code Chapter 669</u> .
Principal Information	The principal, John W. Gleason, has no affiliation with the University.

Tenant	Sprint Spectrum L.P. (new)
Area/Location	Rooftop of Wilson Hall on the Iowa State University campus.
Lease Rate	\$1,200 per month (\$14,400 per year).
Lease Term	Five-year period commencing December 1, 2003, through December 31, 2008.

Use of Space Installation of a cellular communication antennae network on the roof of Wilson Hall. The flat panel antennae will blend in with the building architecture.

Liability The lease agreement requires the tenant to indemnify, defend, and hold harmless the University as customarily required.

Principal Information The principal, James Meyer, has no affiliation with the University. Iowa State University has made payments to Sprint for telephone services according to established procurement procedures.

Landlord **HMG Parking Co. L.L.C. (addendum)**

Area/Location 2,500 square feet of office space and four parking stalls at 700 Locust Street, Suite 200, Des Moines, Iowa.

Lease Rate \$3,000 per month for the office space (\$14.40 per square foot, \$36,000 per year); \$400 per month for the parking stalls (\$4,800 per year).

Lease Term Commencing January 1, 2004, on a month-to-month basis.

Space/Rate Comparison Decrease of 5,500 square feet and \$1.60 per square foot; however, the parking stalls were included with the original lease but now payment will be made for each stall.

Use of Space Because of budget reductions during the past three years, the University exercised its option to terminate the lease with HMG Parking Co. L.L.C. effective December 31, 2003. ISU academic colleges are no longer able to assign staff to the center and no longer have funds to help pay the lease costs.

The remaining reduced space will be used by the ISU Extension and WOI Radio until personnel can be relocated to the new John and Mary Pappajohn Higher Education Center, which is expected to be completed in October 2004.

Liability The University agrees to be responsible for claims arising from its use and occupancy of the space in accordance with Iowa Code Chapter 669.

Principal Information The principal, Thomas G. Hotz, has no affiliation with the University.


Jean A. Friedrich

Approved: 
Gregory S. Nichols